

OFFICIAL TEXT

Office of Public Affairs, American Consulate General
220, Mount Road, Gemini Circle, Chennai 600 006
Telephone: 044-2857 4000 Fax: 044-2857 4024/4311

<http://chennai.usconsulate.gov/>

U.S. COAL-PRODUCING STATE BETS ON CLEAN ENERGY

Pennsylvania energy portfolio includes solar, wind power, biofuels

The following article appears in the July 2006 issue of the State Department's electronic journal series *Economic Perspectives*. The complete issue, titled [Clean Energy Solutions](#), can be viewed on the USINFO Web site.

(begin byliner)

Pennsylvania: Changing the Way America Thinks About Energy

By Kathleen A. McGinty

Secretary, Pennsylvania Department of Environmental Protection

Pennsylvania is home to one of America's most progressive alternative energy portfolio standards, ensuring that 18 percent of all energy generated by 2020 comes from clean, efficient, and advanced resources. The clean energy law puts our state in the vanguard of a growing movement by state governments to ensure wide distribution and use of zero-pollution solar power, and it builds substantially on our leadership in wind production east of the Mississippi River. Pennsylvania Governor Edward G. Rendell personally led a campaign to attract the Spanish wind-energy company Gamesa Corporation, which is investing \$84 million to locate its U.S. headquarters and four manufacturing facilities in Pennsylvania.

The state, traditionally known for its coal heritage, is using its purchasing power to stimulate the market for alternative energy projects by investing in advanced technologies that make these resources more competitive. Over the next decade, Pennsylvania will replace 3.4 billion liters of transportation fuel with locally produced alternative resources, such as ethanol and biodiesel, or with fuels derived from coal liquefaction. The 3.4 billion liters million gallons represents the forecasted amount of fuels to be imported from the Persian Gulf to Pennsylvania 10 years from now. The state will invest \$30 million over the next five years to build refueling and production infrastructure to support wide distribution of the alternative fuels.

Pennsylvania very well could soon be the nation's leading producer of biodiesel, going from practically nowhere in early 2005 to a projected 151 million liters of annual production in the next 12 months. The state already is home to the East Coast's first state-of-the-art biofuels injection facility, which opened in late 2005 with \$219,908 in state aid. The plant will help replace 12.1 million liters of imported oil with domestically produced biodiesel and keep at home \$6 million by reducing the state's need to purchase fuels from other countries.

America's first coal gasification-liquefaction plant is being built in northeastern Pennsylvania. The facility will use waste coal to produce 151 million liters of clean-burning diesel fuel each year. What Pennsylvania is doing to support the project is unprecedented -- creating a fuel consortium with private industry to purchase nearly all of the output. Pennsylvania will lock in its supply for some 10 years at prices well below current market values to ensure a long-term, viable market for the plant.

Pennsylvanians now spend some \$30 billion per year on imported energy fuels. Instead of spending overseas, we are investing at home and putting Pennsylvanians to work. Brought back to life after years of inactivity, the Pennsylvania Energy Development Authority has awarded \$15 million in grants and loans for 41 clean energy projects that will leverage \$200 million in private investment. The projects will create 1,558 jobs in start-up construction and ongoing operations. The Pennsylvania Energy Harvest Grant Program has awarded \$15.9 million and leveraged another \$43.7 million in private funds since its inception in May 2003 for projects using sources such as wind, solar, biomass, waste coal, and recycled energy.

Advanced energy technology is about achieving both environmental protection and economic development. In Pennsylvania, we are changing the way America produces fuel and thinks about energy, attracting investments that stimulate the economy and create jobs, putting indigenous resources to work to enhance domestic security, and realizing significant improvements in environmental protection.

(end byliner)

(Distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

07 07 06